

# TEACHERS' RETIREMENT BOARD

## REGULAR MEETING

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SUBJECT: Proposed Travel

ITEM NUMBER: 10a

ATTACHMENT(S): 4

ACTION: X

DATE OF MEETING: January 6, 2000

INFORMATION: \_\_\_\_\_

PRESENTER(S): Mr. Mosman

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### 99/00 TRAVEL CALENDAR

| <u>CONFERENCE</u>                        | <u>LOCATION</u>                         | <u>CATEGORY</u> | <u>ATTENDEE</u>   |
|--|---|-----------------|---|
| <u>July</u>                              |   |                 |   |
| Pacific Pension Institute                | Gleneden, OR<br>07/15-17/99             |                 | Mr. Mosman  |
| <u>August</u>                            |   |                 |   |
| IFE's Pension Fund Investing             | Berkeley, CA<br>08/9-11/99              | 3               | Mr. Robinson  |
| NCTR Executive Committee                 | Pittsburgh, PA<br>08/13-14/99           |                 | Mr. Mosman  |
| Portfolio Managers Visitations           | Chicago / New York<br>08/15-18/99       |                 | Mr. Mitchell  |
| <u>September</u>                         |   |                 |   |
| Meeting with External Portfolio Managers | London, Scotland & Paris<br>09/20-27/99 |                 | Mr. Mitchell  |
| IFEBP Fundamentals of Money Management   | Philadelphia, PA<br>09/27-10/01/99      | 3               | Dr. Bodle   |
| CII Fall- Conference                     | San Francisco, CA<br>9/26-28/99         | 2               | Ms. Drevalas  |
| <u>October</u>                           |   |                 |   |
| NCTR General Meeting                     | Nashville, TN<br>10/02-07/99            | 2               | Ms. Zink<br>Dr. Bodle<br>Ms. Raffel<br>Mr. Mosman<br>Ms. DuCray-Morrill<br>Mr. Mitchell |
| NASIO Conference                         | Boston, MA<br>10/16-20/99               |                 | Mr. Mitchell  |

November

NEA Conference

Honolulu, HA  
11/8-15/99

Mr. Derman

Visit with CalSTRS Portfolio Managers

New York, NY  
11/16-20/99

Mr. Mitchell

CRTA Meeting

Susanville, CA  
11/17-17/99

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Mr. Mathiesen

December

PRISM Internet Roundtable Conf.

Dallas, TX  
12/1-3/99

Mr. Martin

January, 2000

√ Marcie Elkind Conference

Dallas, TX  
1/12-13/00

Mr. Mitchell

√ NCTR Legislative Committee

Washington, D.C.  
1/22-26/00Mr. Mosman  
Mr. Derman

√ Public Funds Summit

Phoenix, AR  
1/31/00

Mr. Mosman

February√ National Association Public Pension  
AttorneysWashington, D.C.  
2/5-9/00

Mr. Waddell

√ Approval Requested

## STAFF TRAVEL REQUEST

Staff: James D. Mosman, Chief Executive Officer  
Ed Derman, Deputy Chief Executive Officer

Dates of Travel: January 22 - 26, 2000

Destination: Washington, D.C.

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|           |                       |           |
|-----------|-----------------------|-----------|
| EXPENSES: | Transportation:       | \$770     |
|           | Lodging and Per Diem: | \$1,200   |
|           | Registration: n/a     | Category: |

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PURPOSE OF TRIP: Attend the National Council on Teacher Retirement's Legislative Meeting and to visit Congressional Members

Meeting agenda is attached.

STAFF TRAVEL REQUEST

Staff: James D. Mosman, Chief Executive Officer

Dates of Travel: January 31, 2000

Destination: Phoenix, AR

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EXPENSES: Transportation: \$160

Lodging and Per Diem: \$400

Registration: n/a Category:

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PURPOSE OF TRIP: Attend the Public Funds Summit

Meeting agenda is attached.

STAFF TRAVEL REQUEST

Staff: Chris Waddell

Dates of Travel: February 5 - 9, 2000

Destination: Washington, D.C.

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|           |                       |           |
|-----------|-----------------------|-----------|
| EXPENSES: | Transportation:       | \$448     |
|           | Lodging and Per Diem: | \$770     |
|           | Registration: n/a     | Category: |

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PURPOSE OF TRIP: Attend the Winter Section Meetings of the National Association of Public Pension Attorneys

Meeting agenda is attached.

## STAFF TRAVEL REQUEST

Staff: Patrick Mitchell, Chief Investment Officer

Dates of Travel: Wed., January 12, 2000 & Thurs., January 13, 2000

Destination: Dallas, Texas

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|           |                       |           |
|-----------|-----------------------|-----------|
| EXPENSES: | Transportation:       | \$600     |
|           | Lodging and Per Diem: | \$325     |
|           | Registration: n/a     | Category: |

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## PURPOSE OF TRIP:

To participate as a panel member at the Marcie Elkind Conference on Emerging Market Equities.  
Panel's major topic "Should the plan sponsor create an allowable country list?"

TEACHERS' RETIREMENT BOARD

REGULAR MEETING

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SUBJECT: Travel Summaries

ITEM NUMBER: 10b

ATTACHMENT(S): 7

ACTION: X

DATE OF MEETING: January 6, 2000

INFORMATION: \_\_\_\_\_

PRESENTER(S): Mr. Mosman

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Board Member reports due:

Dr. Bodle – IFEBP Fundamentals of Money Management

Mr. Mathiesen - CRTA Meeting

Executive Staff reports due:

Mr. Mitchell – Portfolio Managers Visitations

Mr. Mitchell – Meeting with External Portfolio Managers

Mr. Mitchell – NASIO Conference

Mr. Derman - National Education Association's Pension and Benefit Forum

Mr. Mitchell - Visit with CalSTRS Portfolio Managers

Mr. Martin - PRISM Internet Roundtable

# TRAVEL REPORT

Name: Yvonne Bodle, Board Member

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Destination: Philadelphia, PA

Funding Source: CalSTRS   X    
Other

Travel Costs: \$2,000

Travel Period: September 27 - October 1, 1999

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Purpose of Trip: Attend the Wharton School University of Pennsylvania, International Foundation of Employee Benefit Plans Workshop on Money Management Fundamentals.

## Summary / Highlights:

This was an intensive education forum for trustees on the fundamental of Money Management.

Topics included:

- ◆ The Role of the Financial Markets in the Economy
- ◆ The Role of the Financial Markets in our Society
- ◆ Monetary Policy and its Effect on Financial Markets
- ◆ Fundamentals on Compound Interest
- ◆ Analysis of Portfolios
- ◆ The Analysis of Common Stocks and bonds
- ◆ The Fundaments of Portfolio Theory
- ◆ How to Evaluate an Investment Manager
- ◆ What are Reasonable Investment Goals

## TRAVEL REPORT

Name: Marty Mathiesen, Board Member

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Destination: Susanville, CA

Funding Source:

CalSTRS   X    
Other

Travel Costs: \$205

Travel Period: November 16 - 17, 1999

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Purpose of Trip: Guest speaker at CRTA's Division 76 meeting in Susanville

Summary / Highlights:

Provided the origin and history to date of CalSTRS and improvements of the past years, especially those made in 1998. Also provided information on the location of CalSTRS headquarters, current Board members, and the different Board committees. Spoke on the operation of the System in general and explained the how benefit improvements are obtained through legislation and about the System's investments

## TRAVEL REPORT

Name: Patrick Mitchell  
Title: Chief Investment Officer

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Destination: London England, Paris France

Funding Source:

STRS Continuous Appropriation  
Other

Travel Costs: \$ 3,000

Travel Period: September 18 – 25, 1999

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### PURPOSE OF TRIP:

On site fiduciary inspection of CalSTRS' international equity managers, private equity general partners, and public equity broker/dealers.

### SUMMARY / HIGHLIGHTS:

CalSTRS periodically completes on-site visitations to the investment managers. Domestic managers are visited on a twenty-four month rotation. The non-U.S. managers are visited on a less frequent basis.

There were meetings with five existing public equity and three private equity investment managers. In addition to the operational issues, each visit concentrated on the risk and opportunities of three specific issues:

All of the managers have prepared for potential [Y2K](#) issues. Most think it will be a big non-event. One thing agreed by all concerned is that the companies have used this as an excuse to increase the level of automation and upgrade existing hardware. This should increase the profitability in the next few years as productivity increases continue.

The European Monetary Union has gone on as scheduled despite a few early difficulties. The biggest concern is in 15 months when all the individual country's currency will be destroyed and replaced by the Euro.

## TRAVEL REPORT

Name: Patrick Mitchell

Title: Chief Investment Officer

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Destination: Chicago, New York

Funding Source:

STRS Continuous Appropriation  
Other

Travel Costs: \$ 1,240.00

Travel Period: 08/16 – 19/99

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PURPOSE OF TRIP: Manager visitation and broker/dealer inspections

### SUMMARY / HIGHLIGHTS:

Met with two domestic and two international equity managers to discuss their respective equity portfolio strategy concentrating on Y2K, US dollar, and global economic conditions. General consensus was that between now and the end of the year most entities will be extra conservative holding more cash and taking less risk than usual.

The market volatility is expected to increase as major broker/dealers will reduce the size of the balance sheet as calendar year end approaches. This phenomenon occurs every year, but, is expected to be more pronounce this year. It could provide opportunities to purchase spread related product (corporate bonds) at attractive levels.

## TRAVEL REPORT

Name: Patrick Mitchell  
Chief Investment Officer

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Destination: New York, NY

Funding Source:  
CalSTRS Continuous Appropriation  
Other

Travel Costs: \$1,360

Travel Period: November 16 - 19, 1999

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Purpose of Trip: To visit with CalSTRS Portfolio Manager  
To attend the Goldman Sachs' 1999 Pension Sponsor Roundtable

### Summary / Highlights:

Attended the Goldman Sachs pension roundtable, which highlighted the Pacific Basin region. Particular attention was devoted to the Japanese economic and monetary policy. Former Vice-President and Ambassador to Japan, Mr. Mondale spoke about the opportunities and risks associated with the Japanese form of government. His points focused on the cooperative agreement necessary to implement changes in policy. They are difficult to start, but once accepted will be embraced by the general population.

Also talked with two of the Real Estate Opportunity funds - Lazard Freres and Morgan Stanley. Both report that there are unrealized gains hidden in the assets by conservative accounting practices. The result will be positive surprises on returns when individual assets are sold.

## TRAVEL REPORT

Name: Ed Derman  
Deputy Chief Executive Officer

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Destination: Honolulu, HA

Funding Source:  
CalSTRS   X    
Other

Travel Costs: \$925

Travel Period: November 10 - 12, 1999

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Purpose of Trip: To make a presentation at the 1998-1999 National Education Association Pension and Benefit Forum on benefit enhancement legislation.

Summary / Highlights:

1. Made co-presentation with Bill Collins from the California Teachers Association to present first-hand information on benefit enhancement legislation in 1998 and 1999.
2. Heard what benefit changes are being discussed at the Ohio State Teachers' Retirement System
3. Attended presentations on current status of federal issues and financing retirement for future generations.

## TRAVEL REPORT

Name: Larry Martin

Title: Deputy Chief Executive Officer,  
Information & Financial Systems Branch

Destination: Dallas, Texas

Funding Source:

CalSTRS x

Other

Travel Costs: \$ 933 (airfare, hotel & registration)

Travel Period: December 1 - 3, 1999

### PURPOSE OF TRIP:

Attend Second Annual Public Pension Fund Internet Roundtable Discussion sponsored by the Public Retirement Information Systems Management (PRISM).

### SUMMARY / HIGHLIGHTS:

This conference provided a focal point for discussions and demonstrations on new and emerging technologies such as e-commerce and current/future capabilities of the Internet, which will affect retirement systems and the information technology industry. This forum also brought many pension systems together to exchange ideas on how business is currently being done and what is planned for the future. Twenty-eight domestic and two Canadian funds attended this conference.